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e-filed on 03/23/07

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IN THE UNITED STATES BANKRUPTCY COURT
 FOR THE DISTRICT OF NEVADA

In Re:)	Case No. BK-S-06-10725-LBR
USA COMMERCIAL MORTGAGE COMPANY,)	Case No. BK-S-06-10726-LBR
<u>Debtor</u>)	Case No. BK-S-06-10727-LBR
In Re:)	Case No. BK-S-06-10728-LBR
USA CAPITAL REALTY ADVISORS, LLC,)	Case No. BK-S-06-10729-LBR
<u>Debtor</u>)	
In Re:)	Chapter 11
USA CAPITAL DIVERSIFIED TRUST DEED)	
FUND, LLC,)	Jointly Administered Under
<u>Debtor</u>)	Case No. BK-S-06-10725-LBR
In Re:)	
USA CAPITAL FIRST TRUST DEED FUND)	
LLC,)	
<u>Debtor</u>)	
USA SECURITIES, LLC,)	
<u>Debtor</u>)	
Affects:)	
USA Commercial Mortgage Company)	DATE: May 31, 2007
)	TIME: 9:30 AM

UNITED STATES' RESPONSE TO OBJECTION OF USA COMMERCIAL MORTGAGE
 COMPANY TO CLAIMS FILED BY THE INTERNAL REVENUE SERVICE

1 THE UNITED STATES OF AMERICA, on behalf of its agency, the
2 Internal Revenue Service (the Service), hereby responds to the
3 OBJECTION OF USA CAPITAL COMMERCIAL MORTGAGE COMPANY TO THE
4 CLAIMS FILED BY THE INTERNAL REVENUE SERVICE (objection).

5 1. The objection concerns six separate proofs of claim
6 filed by the Service: Claim Nos. 2-1, 5-1, 65-1, 88-1, 103-1,
7 and 103-2. The Service agrees that all of the earlier proofs of
8 claim have been superseded and replaced by the last proof of
9 claim, Claim No. 103-2. All of the earlier claims can be
10 disallowed as having been replaced by Claim No. 103-2.

11 2. Claim No. 103-2 should be allowed as filed and
12 described in the proof of claim. It is a penalty in the amount
13 of \$800.00 with respect the 2003 tax year.

14 WHEREFORE, the United States requests that the objection be
15 denied and that the Service's claims be allowed as filed and as
16 reflected in Claim No. 103-2.

17 DANIEL G. BOGDEN
18 United States Attorney

19 Date: March 23, 2007

By: /s/ Rollin G. Thorley
20 ROLLIN G. THORLEY
21 Special Assistant
22 United States Attorney
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the following parties are listed as Filing Users who will receive notice of the foregoing document by electronic transmission of a Notice of Filing. If the following parties are not listed on a Notice of Electronic Filing, a separate certificate will be filed indicating the form of service on such parties:

ANNETTE W. JARVIS, Counsel for Debtor
STEVEN C. STRONG, Counsel for Debtor
LENARD E. SCHWARTZER, Counsel for Debtor
JEANETTE E. MCPHERSON, Counsel for Debtor
OFFICE OF THE UNITED STATES TRUSTEE

Dated: March 23, 2007

/s/ Rollin Thorley__